E1-18736



Eagle Pass RR -- Draft Initial Consultation Letter Coburn, David to: 'Vicki Rutson (RutsonV@stb.dot.gov)'

10/11/2011 12:53 PM

Cc: "'naveckyd@stb.dot.gov"

From: "Coburn, David" < DCoburn@steptoe.com>

To: "Vicki Rutson (RutsonV@stb.dot.gov)" <RutsonV@stb.dot.gov>

Cc: "naveckyd@stb.dot.gov" <naveckyd@stb.dot.gov>

1 attachment

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Vicki/Dave -- Here is a draft initial consultation letter for use in the Eagle Pass matter. I assume that you would use the same map we supplied with the 6 month waiver letter request.

Please let me know if you have any questions.

Regards. David

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DATE

CONTACT ADDRESS

Re: Proposed Rail Line and International Bridge -- Construction and Operation in Maverick County, Texas

Dear CONTACT:

The Surface Transportation Board ("Board"), through its Office of Environmental Analysis (OEA), is initiating an environmental review in Finance Docket No. 35554 concerning the proposed construction and operation of a new international rail line, known as the Eagle Pass Railroad ("EPRR"), in Maverick County, Texas. The Board's review will be conducted in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) to study and document the potential impacts to the environment, including historic/cultural resources, of constructing and operating the rail line. The purpose of this letter is to advise you of this new project and solicit any relevant information that might assist our review of the project.

The EPRR rail line would be constructed between a point north of Eagle Pass, Texas to Piedras Negras, Mexico. At its northern terminus, the line would intersect with an existing Union Pacific Railroad line. The rail line would circumvent the Eagle Pass city center, passing to the west of the city center, where it would cross route US 277. The EPRR line would also traverse a new international rail bridge to be built by EPRR across the Rio Grande River. In Mexico, the EPRR line will connect at its southern terminus near Mexico Highway 57 at Piedras Negras with another rail line to be constructed in Mexico, which line will in turn connect with the Mexican rail network. Approximately 2 trains/day (one loaded and one empty) would use the line. The line would operate 7 days/week.

EPRR advises that the rail line would cross mostly rangeland and agricultural land in the United States. Route alternatives under review for the proposed project vary in length from approximately 4 to 8 miles. A map showing the current proposed route for the EPRR rail line is attached.

The EPRR line would be used to transport coal from a mine to be developed near Eagle Pass, at a point at or near the planned northern terminus of the EPRR line, to points in Mexico where the coal would be used to generate power. That coal mine is known as the Dos Republicas mine and will be operated by Dos Republicas Coal Partnership (DRCP). DRCP will be the owner of EPRR. In addition, EPRR has identified a need for rail transport of raw materials necessary for Mexico's metallurgical industry from the United States to Mexico, as well as a need to transport beer and beer related products from a new brewery in northern Mexico to the United States. Northbound EPRR traffic would be interchanged with the Union Pacific at the northern terminus of the EPRR line.

By virtue of the fact that it will be constructing a new international crossing, EPRR will require a Presidential Permit to be issued by the U.S. Department of State pursuant to that Department's authority to issue such permits. EPRR representatives have been in preliminary discussions with the State Department regarding its issuance of a Presidential Permit for the project and understand that the State Department will choose to be a cooperating agency relative to the environmental review of the rail line. EPRR will also require approval by the US Coast Guard under the International Bridge Act. Currently, the existing Eagle Pass-Piedras Negras International Railway Bridge is the only international rail bridge that crosses the U.S.-Mexico border between Eagle Pass and Piedras Negras. That bridge is owned and operated by Union Pacific and Grupo Transportation Ferroviaria Mexicana.

This letter begins the process by which OEA will assess the environmental effects that may be associated with the proposed rail line construction and operation. Our intention is to review and assess the information on environmental impacts of the EPRR proposal based on data to be provided to us by the applicant and based on our own reviews and assessments. We plan to issue an appropriate environmental document, either an Environmental Assessment (EA) or an Environmental Impact Statement (EIS), that will satisfy our NEPA and NHPA responsibilities and those of cooperating agencies. Our decision on whether to prepare an EA or an EIS will be based in part on the information that we receive in response to the agency consultation that we are initiating with this letter. The environmental document that we issue will be made available in draft form for review by agencies and the public pursuant to the requirements of NEPA and Board's implementing rules at 49 CFR Part 1105. In reaching its decision on whether to authorize construction and operation of the line, the Board will take into account the environmental document and all comments received on it.

We are therefore soliciting your input in determining whether any resources of concern to your agency might be affected by the proposed project or whether you have any other general concerns. Your comments, concerns and any specific information you could provide would be greatly appreciated. Please forward your response to my attention at the address listed above by _______. Also please feel free to contact me to discuss any matters relating to this project.

We look forward to your response and to consulting with you on this important project.

Sincerely,

NAME TITLE

Attachment ·